

## Loring Development Authority to Receive \$1.13 Million from EDA

Friday, April 22 2011

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BANGOR, ME &ndash; Today, Congressman Mike Michaud praised the announcement by the Economic Development Administration (EDA) that it is providing the Loring Development Authority (LDA) with a \$1,132,000 investment for critical repairs and infrastructure upgrades to the water distribution and treatment systems serving the Loring Commerce Centre in the town of Limestone. According to the EDA, the improvements are necessary to ensure continued and improved water flow and will allow for the retention, expansion, and growth of businesses in the area.

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&ldquo;These are the types of investments in our communities that are critical to saving and retaining jobs,&rdquo; said Michaud, a longtime proponent of the EDA. &ldquo;Making sure our centers of commerce have the infrastructure in place to retain and attract business is a necessity. But often times the upgrades are too expensive and out of reach for many communities to take on themselves. This investment by the EDA will help this project cross the finish line and provide a much needed boost to the region&rsquo;s economy.

Earlier this year, Michaud, who is a member of the House Transportation and Infrastructure Committee&rsquo;s Economic Development Subcommittee, worked to build support for the EDA and the valuable investments the agency makes in communities in Maine and throughout the country. He cited the pending application that the LDA had with EDA as an example of investments the federal government should support, due to their direct connection to job creation and retention. According to the EDA and the LDA, this project in Limestone will help retain over 1,300 jobs.

As Michaud was advocating for saving the EDA from the massive cuts that were proposed by House leadership in its original budget bill, he highlighted local examples of the need to continue EDA funding. Carl Flora, the President and CEO of the LDA, supplied Michaud with the following update on their EDA application and why its project is so important to the region&rsquo;s economy.

The EDA application of the Loring Development Authority requests assistance to complete a critical water system infrastructure project supporting existing and potential future regional employment and business activity at Loring Commerce Centre.

The Loring Air Force Base closed under the BRAC process in 1994 creating major employment losses, population losses and economic dislocation in Aroostook County, Maine.

Since the closure, the region&rsquo;s economic recovery has depended heavily on the redevelopment of Loring. With over 1300 new jobs, the Loring Commerce Centre has more than replaced the civilian workforce previously associated with the Air Force Base (1100) and diverse new economic activity has taken hold in manufacturing, financial and accounting services, research and development, aviation, education, agriculture and more.

Because of widespread contamination of the groundwater by the Air Force, wells as a source of drinking water are not possible and Loring-based employers must rely on the off-site water treatment facility built by the Air Force in the late 1950's. Along with the Loring's water distribution system, the treatment plant is in serious need of renovations requiring a major capital outlay. A failure of the water treatment system would place nearly all Loring jobs in jeopardy along with an estimated \$45 - 50 MM of payroll, not to mention the much negative impact associated with indirect losses to the state's economy.

The funding sought through EDA would assist the LDA to make improvements to the water treatment and distribution system assuring the reliable future operation of this critical infrastructure and allowing the plant to meet current and future drinking water standards. A reliable water system is extremely important to the continued redevelopment of Loring which is otherwise positioned to create significant numbers of additional jobs in the future. The project also provides environmental benefits &ndash; the clustering of development at Loring helps to protect the region's valuable farmland resources and the natural environment from sprawl. Additionally, the fishway at the treatment facility's dam would be rehabilitated to help restore fish habitat upstream of the facility.

Carl W. Flora

President & CEO

Loring Development Authority of Maine

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